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PAGE 01 STATE 293206 TOSEC 310445

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TAGS: SOPN, OVIP (KISSINGER, HENRY A.)

SUBJECT: MORNING PRESS REPORTS - DECEMBER 1

1. RADIO-TV - NOVEMBER 30

A. CRONKITE, CBS EVENING NEWS: A CHANGE OF GOVERNMENT TAKES PLACE IN MEXICO

TOMORROW. PRESIDENT LOIS ECHEVERRIA, UNABLE TO SUCCEED HIMSELF TO A SECOND 6-YEAR TERM, HANDS OVER THE OFFICE TO HIS FORMER FINANCE MINISTER JOSE LOPEZ PORTILLO. OFFICIALLY REPRESENTING THE US AT THE INAUGURAL TOMORROW WILL BE SECRETARY OF STATE KISSINGER. ALSO THERE BUT IN AN UNOFFICIAL CAPACITY WILL BE ROSALYNN CARTER, WIFE OF THIS COUNTRY'S PRESIDENT ELECT. BERNARD KALB HAS THE STORY.

KALB: THE CARTER ADMINISTRATION MAKING ITS DEBUT ABROAD, THE FIRST LADY AFTER JANUARY 20TH ARRIVING IN MEXICO CITY WITH A WORD FROM NORTH OF THE BORDER FIRST IN ENGLISH, THEN SPANISH. MRS. CARTER IS HERE AS A PRIVATE CITIZEN, NOT SO HENRY KISSINGER WHO HEADS THE OFFICIAL US DELEGATION. AT THE NATIONAL PALACE TWO LAME DUCKS EXCHANGING FAREWELLS. THE OUTGOING MEXICAN PRESIDENT LUIS ECHEVERRIA AND THE OUTGOING SECRETARY OF STATE. THE N'W PRESIDENT WILL BE INAUUNCLASSIFIED

PAGE 02 STATE 293206 TOSEC 310445

GURATED TOMORROW, JOSE LOPEZ PORTILLO, THE CEREMONY TAKING

PLACE AGAINST A BACKGROUND OF TENSIONS STEMMING FROM THE

LATEST DEVALUATION OF THE PESO, HEAVY UNEMPLOYMENT, THE EXPROPRIATION OF CERTAIN FARM LANDS. SCATTERED EXPLOSIONS CAME WITH THE SUNRISE TODAY, FIVE EXPLOSIONS IN ALL, POLICE SAYING THERE IS NO KNOWN CONNECTION WITH THE INAUGURATION, NO REPORTED CASUALTIES, THE POLICE BLAMING THE INCIDENTS ON A GROUP DESCRIBED AS A COMMUNIST FRONT.

THE SERIES OF BOMB BLASTS ONLY HEIGHTENED THE UNCERTAINTY NOW PLAGUING MEXICO. THE IMMEDIATE CHALLENGE IS WHETHER JOSE LOPEZ PORTILLO CAN ESTABLISH A BASE OF CONFIDENCE THROUGHOUT THE NATION FOR A SUCCESSFUL LAUNCH OF HIS SIX YEAR TERM AS PRESIDENT.

B. B. WALTERS, ABC EVENING NEWS: MRS. CARTER FLEW TO MPX. CITY TODAY TO ATTEND TOMORROW'S INAUGURATION OF THE NEW MEXICAN PRESIDENT, JOSE LOPEZ PORTILLO. SECRETARY OF STATE KISSINGER AND HIS WIFE ARE ALREADY THERE AND LADY-BIRD JOHNSON AND HER DAUGHTER LUCY WILL ATTEND. LAST NIGHT FOUR BOMBS EXPLODED IN MEXICO CITY CAUSING MINOR INJURIES. NO ONE IS SURE WHO IS BEHIND THE BOMBINGS. BARRIE DUNSMORE POINTS OUT FROM THE MEXICAN CAPITAL TODAY THE NEW PRESIDENT WILL BE FACING PLENTY OF PROBLEMS.

DUNSMORE: ON THIS THE EVE OF THE PRESIDENTIAL CHANGEOVER THE BANDS PLAY ON, OF COURSE, BUT THE MOOD OF MEXICO IS MORE ONE OF APPREHENSION THAN CELEBRATION. IN RECENT WEEKS THE VALUE OF THE PESO HAS BEEN CUT IN HALF AND THERE ARE ALMOST DAILY RUMORS OF A LEFT WING PEASANT REVOLT OR A RIGHT WING MILITARY COUP.

MEXICO IS ONE OF THOSE COUNTRIES THAT IS ON THE VERGE OF BEING DEVELOPED BUT IS EXPERIENCING THE PAIN OF DEVELOPMENT; OVERPOPULATION AND UNDEREMPLOYMENT ARE TWO OF ITS CRONIC PROBLEMS. IN THE WORDS OF THE WALL STREET JOURNAL IT'S A CLASSIC EXAMPLE OF WHAT HAPPENS WHEN A COUNTRY TRIES TO GO TOO FAR TOO FAST. THE MOST RECENT SHOCK WAVES CAME FROM THE NORTHWEST WHERE OUTGOING PRES. ECHEVERRIA EXPROPRIATED 240,000 FERTILE ACRES FROM 74 WEALTHY UNCLASSIFIED UNCLASSIFIED

PAGE 03 STATE 293206 TOSEC 310445

FAMILIES AND TURNED THE LAND OVER TO 9,000 PEASANT FAMILIES. LAND REFORM WAS AT THE HEART OF THE MEXICAN REVOLUTION OF 1910 BUT SUCH A MAJOR DECISION BY A LAMEDUCK PRESIDENT HAS CREATED ENORMOUS POLITICAL AND ECONOMIC UNCERTAINTY. THE US IS NOT MMUNE TO SUCH DEVELOPMENTS. OLDER CITIES LIKE EL PASO IMMEDIATELY FELT THE IMPACT OF THE PESO DEVALUATION AS MEXICANS FROM ACROSS THE BORDER IN JUAREZ HAD JUST LOST HALF OF THEIR DOLLAR-BUYING POWER.

BUT THERE ARE MUCH BROADER IMPLICATIONS FOR THE NEARLY TWO THOUSAND AMERICAN COMPANIES WITH INVESTMENTS OF

3.2 BILLION DOLLARS IN MEXICAN AFFILIATES NOT TO MENTION THE US BANKS WHICH ARE MEXICO'S PRINCIPAL CREDITORS. A DEPRESSION IN MEXICO WOULD CERTAINLY EFFECT AMERICAN

PROFITS AND AMERICAN JOBS. ON THE POLITICAL SIDE INSTABILITY IN MEXICO WOULD ALSO BE FELT IN THE US. ONE NEED ONLY LOOK TO THE CUBAN-AMERICAN RELATIONSHIP TO SEE HOW MUCH HOSTILITY CAN DEVELOP WHEN NEIGHBORING COUNTRIES HAVE COMPETITIVE POLITICAL SYSTEMS. IF SUCH A SMALL COUNTRY AS CUBA CAN CREATE SUCH CONCERN IN WASHINGTON IMAGINE THE PROBLEMS SIXTY MILLION MEXICANS WOULD REPRESENT IF OUR GOVERNMENTS WEREN'T FRIENDLY. FORTUNATELY IN SPITE OF ALL OF THE PROBLEMS FACING THE NEW PRESIDENT US-MEXICAN FRIENDSHIP IS EXPECTED TO BE MAINTAINED.

C. H. RUDD, COS MORNING NEWS: THERE'S VERY TIGHT SECURITY IN PARTS OF MEXICO CITY RIGHT NOW, ALONG WITH A GOOD DEAL OF NERVOUSNESS BECAUSE OF SEVERAL BOMB EXPLOSIONS EARLIER THIS WEEK AND A PRESIDENTIAL INAUGURATION SCHEDULED FOR LATER TODAY. (12/1/76)

B. KALB: FOR MEXICO IT WILL BE A DAY OF PAGEANTRY AND ORATORY, CENTERING ON THE NEW PRESIDENT JOSE LOPEZ PORTILLO. HE'LL BE INAUGURATED IN AN ATMOSPHERE THAT MANY MEXICANS REGARD AS GENUINE CRISIS, THE WEALTHY FEELING THAT THE COUNTRY IS BEING NUDGED TOWARD THE LEFT, THE IMPOVERISHED THAT LITTLE IS BEING DONE TO EASE THEIR LIVES. LOPEZ PORTILLO WAS HAND-PICKED FOR THE JOB BY THE OUTGOING CONTROVERSIAL PRESIDENT LUIS ECHEVERRIA. HE UNCLASSIFIED UNCLASSIFIED

PAGE 04 STATE 293206 TOSEC 310445

HAD SERVED AS ECHEVERRIA'S FINANCE MINISTER AND FACE NO OPPOSITION IN REACHING FOR THE PRESIDENCY. AMONG THE VIP'S HERE FOR THE INAUGURAL EVENT, SECRETARY OF STATE KISSINGER REITERATING THAT THE TIES OF FRIENDSHIP BETWEEN THE UNITED STATES AND MEXICO WILL REMA,N AS STRONG AS EVER, NOT'ITHSTANDING POLITICAL TRANSITIONS IN BOTH COUNTRIES. ALSO, THE WIFE OF PRESIDENT-ELECT CARTER, SHE'S HERE IN AN UNOFFICIAL CAPACITY. HER REMARKS ABOUT U.S. - MEXICAN FRIENDSHIP SPOKEN IN SPANISH CLEARLY CHARMED THE MEXICANS. BUT THE PAGEANTRY WILL LAST FOR ONLY A FEW HOURS. MEXICO'S PROBLEMS ARE NOT AS PERISHABLE. AMONG THEM THE HUNGER FOR LAND ON THE PART OF THE LANDLESS PEASANTS, ALSO THE ECONOMY, THE PESO IN ABOUT THREE MONTHS HAS DROPPED TO ABOUT HALF ITS VALUE AGAINST THE DOLLAR. ALSO UNEMPLOYMENT WHICH IS BOOMING. FOR ALL

THESE REASONS LOPEZ PORTILLO'S INAUGURAL SPEECH TODAY WILL BE CLOSELY STUDIED, TO SEE WHETHER THE NEW PRESIDENT WILL BE ABLE TO UNDO THE UNCERTAINTY NOW GRIPPING THIS

COUNTRY.

D. DUNSMORE, ABC GOOD MORNING AMERICA: SECRETARY OF STATE KISSINGER IS HEADING THE U.S. DELEGATION TO THE INAUGURATION, A DELEGATION WHICH WILL INCLUDE ROSALYNN CARTER AND JACK FORD. AFTER GREETING ECHEVERRIA, KISSINGER SPOKE WARMLY OF BOTH THE OUTGOING AND INCOMING MEXICAN PRESIDENTS. HE WAS OPTIMISTIC ABOUT FUTURE RELATIONS.

SECRETARY KISSINGER: FRIENDSHIP BETWEEN OUR TWO COUNTRIES IS A PERMANENT FEATURE AND WE'RE BOTH MAKING A TRANSITION AT THE SAME TIME AND WE WILL MAINTAIN AND STRENGTHEN OUR FRIENDSHIP.

DUNSMORE: BUT AS MEXICO PREPARES TO INAUGURATE ITS NEW PRESIDENT, THERE IS MUCH APPREHENSION IN THE COUNTRY. EVER SINCE THE GOVERNMENT LAND EXPROPRIATIONS, THERE HAVE BEEN ALMOST DAILY RUMORS OF A LEFT-WING PEASANT REVOLT OR A RIGHT-WING MILITARY COUP. THE VALUE OF THE PESO HAS BEEN CUT IN HALF BECAUSE OF HIGH INFLATION. MEANWHILE, SEVERAL BOMBS HAVE BEEN SET OFF IN MEXICO CITY, INCLUDING ONE IN THE UNITED NATIONS BUILDING WHICH DID CONSIDERABLE UNCLASSIFIED

PAGE 05 STATE 293206 TOSEC 310445

DAMAGE. POLICE SAY A COMMUNIST GROUP WAS RESPONSIBLE BUT IN FACT, THERE ARE GROUPS ON BOTH THE LEFT AND THE RIGHT WHO WANT TO ADD TO THE ANXIETY OF THE PRESENT SITUATION. THUS, THE MAN WHO TAKES OVER TODAY, LOPEZ PORTILLO HAS HIS TASK CUT OUT FOR HIM. HE IS EXPECTED TO BE LESS RADICAL POLITICALLY AND MORE PRAGMATIC ECONOMICALLY THAN HIS PREDECESSOR. BOTH ATTRIBUTES WILL HAVE U.S. APPROVAL. CHANGEOVERS, WHETHER THEY BE MEXICAN OR AMERICAN, ALWAYS CONTAIN ELEMENTS OF UNCERTAINTY. BUT WHAT DOES NOT APPEAR TO BE UNCERTAIN IS THE FACT OF THE CONTINUING STRONG AND FRIENDLY U.S. -- MEXICAN RELATIONSHIP.

E. KALO, CBS WORLD NEWS ROUNDUP: CHANGING PRES. IN MEX. W, 'L TAKE PLACE AGAINST A BACKGROUND OF ECONOMIC AND SOCIAL TENSIONS. THE IMMEDIATE CHALLENGE IS WHETHER JOSE LOPEZ PORTILLO CAN ESTABLISH A CLIMATE OF CONFIDENCE IN THIS COUNTRY WITH A FAST-GROWING POPULATION NOW ESTIMATED AT MORE THAN 60 MIL. L. PORTILLO WAS HAND-PICKED-FOR JOB BY THE OUTGOING CONTROVERSIAL PRESIDENT, LUIS ECHEVERRIA. LOPEZ PORTILLO HAD SERVED AS HIS FINANCE MINISTER AND FACED NO OPPOSITION IN REACHING FOR THE PRESIDENCY. HIS CAMPAIGN RHETORIC WAS DISTINGUISHED IN PART BY ITS LACK

OF PRECISION IN OUTLINING HIS FUTURE PLANS. ONE OF HIS SLOGANS AS TO HOW TO DEAL WITH MEXICO'S PROBLEMS WAS: "THE SOLUTION IS ALL OF US." HIS NUMBER ONE PROBLEM, THE

ECONOMY. THE PESO SINCE SEPTEMBER HAS LOST ABOUT HALF ITS VALUE AGAINST THE DOLLAR. UNEMPLOYMENT IS BOOMING AND THERE'S BEEN A FLIGHT OF CAPITAL TO THE UNITED STATES. FOR ALL THESE REASONS, JOSE PORTILLO'S INAUGURAL SPEECH TODAY WILL BE CLOSELY STUDIED TO SEE WHETHER THE NEW PRESIDENT WILL BE ABLE TO UNDO THE UNCERTAINTY NOW GRIPPING THIS COUNTRY.

F. HARRIS, NBC TV TODAY:FOR 6 YRS. PRES. ECHEVERRIA
TRIED TO CHANGE THINGS IN MEXICO. HE TRIED TO INCREASE
THE NUMBER OF JOBS THROUGH GOVERNMENT SPENDING PROGRAMS.
HE SUCCEEDED IN RAISING THE MINIMUM WAGE BY 134 PER CENT.
NEW ROADS AND SCHOOLS WERE BUILT. LAND WAS SEIZED FROM
LARGE LANDOWNERS AND GIVEN TO LANDLESS FARMERS. BUT AT
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PAGE 06 STATE 293206 TOSEC 310445

THE END OF ECHEVERRIA'S TERM, MEXICO IS A DEEPLY TROUBLED COUNTRY. PEOPLE HERE TOOK VERY SERIOUSLY THE RUMORS OF A POSSIBLE MILITARY COUP LAST WEEK AND ITS VERY HARD TO FIND ANY WIDE-SPREAD SATISFACTION WITH ECHEVERRIA'S POLICIES. SEVERAL BOMBS HAVE BEEN EXPLODED IN MEXICO CITY. THESE ARE THE RUINS OF A GOVERNMENT OFFICE BUILDING A FURNITURE FACTORY. IT MAY BE THAT THE BOMBINGS AND PROTESTS IN THE COUNTRY ARE AIMED AT THE POLICIES OF THE OUTGOING PRESIDENT, ECHEVERRIA, OR THEY MAY BE MEANT TO INFLUENCE THE POLICIES OF THE INCOMING PRESIDENT, JOSE LOPEZ PORTILLO. INAUGURATION CEREMONIES FOR LOPEZ PORTILLO WILL BE HELD TODAY. THOUGH LOPEZ PORTILLO IN HIS CAMPAIGN SPEECHES SOUNDS LIKE A MARTYR OR EVEN A CONSERVATIVE, NO ONE SEEMS TO KNOW FOR CERTAIN QUITE WHAT HE WILL DO. THE DIRECTION OF THE NEW MEXICAN GOVERNMENT IS EXPECTED TO BE SPELLED OUT BY THE NEW MEXICAN PRESIDENT IN HIS INAUGURATION ADDRESS. ROBINSON

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